Statement

Names of Public Sector Enterprises disinvested during the last three years

Year	Mode of disinvestment	Name of PSE
2002-2003	1. Strategic Sale	1. Hindustan Zinc Limited, 2. Indian Petrochemicals Corporation Limited, 3. Centaur Hotel Airport, Mumbai of Hotel Corporation of India Limited 4. Ten hotel properties of India Tourism Development Corporation Limited, *viz,* (i) Kovalam Ashok Beach Resort, (ii) Manali Ashok, (iii) Khajuraho Ashok, (iv) Varanasi Ashok, (v) Aurangabad Ashok, (vi) Kanishka, New Delhi, (vii) Indraprastha, New Delhi, (viii) Chandigarh Hotel Project, (ix) Hotal Ranjit, New Delhi and (x) Hotal Airport, Kolkata, 5. Modern Food Industries (India) Limited (Sale of residual shareholding)
	2. Receipt of control premium on transfer of management control	1. Maruti Udyog Limited
2003-2004	1. Strategic Sale	1. Jessop & Company Ltd. and 2. Hindustan Zinc Limited (Call Option)
	2. Initial Public Offer/offer for sale of residual shareholding of the Government	1. Maruti Udyog Limited, 2. IBP Limited, 3. Indian Petrochemicals Corporation Limited and 4. CMC Limited,
	3. Offer for Sale of minority shareholding	1. Dredging Corporation of India Limited, 2. GAIL (India) Limited and 3. Oil and Natural Gas Corporation Limited
2004-2005	Initial Public Offer	1. National Thermal Power Corporation Limited.

Higher customs duty on fixed phone instruments

4216. SHRIMATI PREMA CARIAPPA:
SHRIMATI KAMLA MANHAR:

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that fixed phone instruments attract a higher customs and excise duty as compared to mobile phones;

(b) if so, the details thereof, alongwith the reasons therefor;

(c) whether Government are considering lowering of customs and excise duty on fixed phones to encourage and promote the growth of fixed phones in India; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) and (b) The customs and excise duty structure for fixed phone instruments and mobile phones is as follows:—

(i) Both fixed line telephones and mobile phones attract nil basic costoms duty and 4% additional duty of customs, w.e.f. 1.3.2005.

(ii) Cellular phones and radio trunking terminals are fully exempt from excise duty. Other telephone sets including fixed line telephones attract excise duty at the Cenvat rate of 16%.

Exemption from excise duty was given to cellular phones mainly to reduce the cost so as to reduce the incentive for smuggling.

(c) No, Sir.

(d) Customs duty is already exempt in respect of both fixed line telephones and mobile phones.Only 4% additional duty of customs under section 3 (5) of the Customs Tariff Act is levied on both fixed line telephones and mobile phones. Fixed phones attract excise duty at 16%.Telephone manufacturers can take credit of excise duty/additional duty of customs (CVD) paid on parts/components for manufacture of telephone sets. The excise duty paid on telephone sets is also eligible to be taken as credit under the Cenvat Credit Rules, 2004, by service providers, for payment of service tax on output services.

Service tax on insurance policy

4217. SHRI NANA DESHMUKH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the service tax is chargeable even on various insurance policies including Life Insurance;

(b) if so, since when and the manner of its computation;

(c) whether it is also a fact that Government are going too far and fast on bringing various items under the net of Service Tax Act and also its rate; and

(d) how Government propose to mitigate the hardship of middle class due to high incidence of personal taxes?